

# San Diego County Economic Forecast

San Diego County ranks as the third most-populated county in California, with nearly 2.9 million residents. The population grew at a 1.7 percent rate of growth between 2000 and 2001. By the year 2010, the population is projected to reach 3.3 million, and 3.8 million by 2020.

The northern portion of the county is the fastest growing in terms of both population and wage and salary jobs. The three largest cities in the north: Oceanside, Vista, and Escondido, gained nearly 80,000 new residents between the 1990 Census and 2001—a 25 percent increase. The population in the rest of the county grew by less than 11 percent over that same time period.

## POPULATION 2001 SAN DIEGO COUNTY

### North County

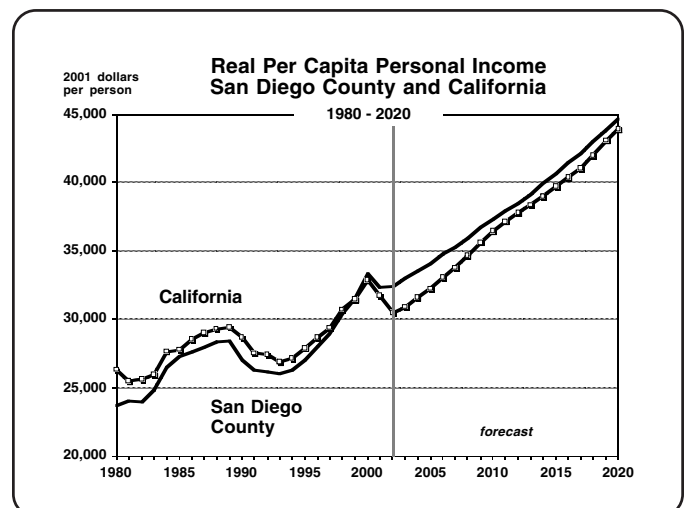
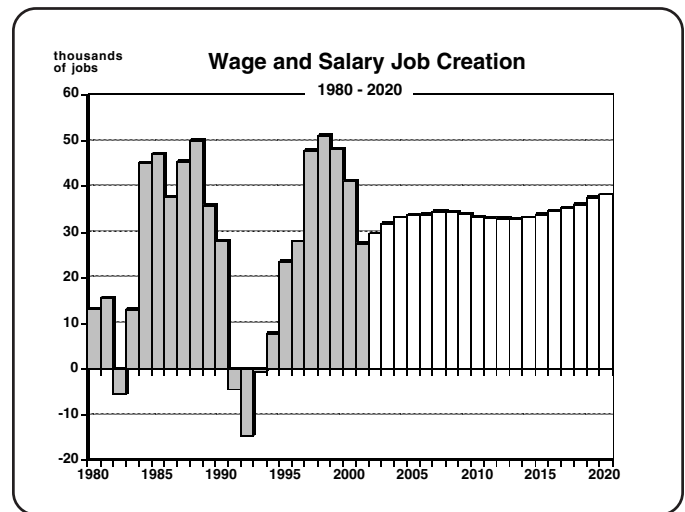
CARLSBAD	83,469
VISTA	92,015
SOLANA BEACH	13,247
DEL MAR	4,455
OCEANSIDE	165,415
ENCINITAS	59,320
ESCONDIDO	137,023
POWAY	49,082
SAN MARCOS	58,129

### South County

IMPERIAL BEACH	27,580
LA MESA	55,539
CHULA VISTA	183,275
CORONADO	24,085
EL CAJON	96,680
LEMON GROVE	25,416
NATIONAL CITY	56,703
SAN DIEGO	1,250,714
SANTEE	53,693

Total North	662,155
Total South	1,773,685
UNINCORPORATED	447,755
<b>TOTAL COUNTY</b>	<b>2,883,595</b>

In addition to population growth, the San Diego County's rapid employment growth and changing industry structure has brought new opportunities and challenges



to the region. In particular, “industry clusters” play a fundamental role in the expansion of the county’s economy. Industry clusters are groups of interrelated industries that drive economic growth, primarily through the export of goods and services. In San Diego County, they include firms in biotechnology, software, electronics, communications, and medical services.

Biotechnology is principally located in the north county area, as is software development and medical products manufacturing. The north county area of San Diego County includes the coastal areas of Del Mar, Encinitas, and Oceanside, and the inland areas of Poway, Escondido, and Vista. The north county areas have much higher housing prices and a wealthier population.

## San Diego County Economic Forecast

### 1995-2001 History, 2002-2020 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (number)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	2,657,800	-28,122	1,984	931	6,608	\$16.2	\$62.6	\$26,987	\$1,049	\$15
1996	2,666,500	-18,112	2,026	938	6,868	\$17.1	\$66.4	\$28,061	\$1,114	\$15
1997	2,719,200	27,207	1,949	944	11,402	\$18.4	\$71.0	\$28,922	\$1,139	\$17
1998	2,764,600	21,220	2,099	952	12,173	\$19.9	\$76.8	\$30,372	\$1,178	\$19
1999	2,814,500	25,228	2,165	962	16,427	\$22.2	\$83.2	\$31,556	\$1,243	\$22
2000	2,835,600	22,450	2,273	992	15,927	\$25.0	\$91.5	\$33,336	\$1,254	\$24
2001	2,890,600	29,617	2,335	1,004	15,650	\$26.6	\$93.6	\$32,379	\$1,300	\$24
2002	2,940,597	23,377	2,348	1,019	15,641	\$27.7	\$98.5	\$32,432	\$1,347	\$24
2003	2,989,826	21,799	2,375	1,034	15,452	\$29.0	\$104.1	\$32,979	\$1,381	\$25
2004	3,039,697	21,742	2,402	1,049	15,315	\$30.6	\$110.2	\$33,546	\$1,417	\$26
2005	3,089,767	21,323	2,429	1,064	15,107	\$32.3	\$116.5	\$34,078	\$1,455	\$27
2006	3,139,645	20,607	2,455	1,078	14,896	\$34.2	\$123.6	\$34,770	\$1,493	\$28
2007	3,189,155	19,848	2,480	1,092	14,845	\$36.2	\$130.2	\$35,246	\$1,530	\$29
2008	3,238,147	19,063	2,505	1,107	14,781	\$38.3	\$137.9	\$35,975	\$1,568	\$30
2009	3,286,868	18,600	2,530	1,121	14,750	\$40.6	\$146.0	\$36,697	\$1,606	\$31
2010	3,335,187	18,067	2,554	1,135	14,697	\$43.1	\$154.5	\$37,366	\$1,649	\$32
2011	3,383,104	17,584	2,577	1,149	14,620	\$45.8	\$163.1	\$37,941	\$1,693	\$34
2012	3,430,717	17,216	2,600	1,163	14,692	\$48.6	\$172.0	\$38,489	\$1,739	\$35
2013	3,478,114	16,916	2,622	1,177	14,742	\$51.5	\$181.9	\$39,140	\$1,787	\$36
2014	3,525,471	16,775	2,644	1,191	14,828	\$54.5	\$192.3	\$39,878	\$1,833	\$37
2015	3,572,971	16,803	2,666	1,205	14,925	\$57.7	\$203.4	\$40,649	\$1,879	\$38
2016	3,620,699	16,898	2,688	1,220	15,017	\$61.2	\$215.2	\$41,422	\$1,929	\$39
2017	3,668,685	17,014	2,710	1,234	15,074	\$64.9	\$227.5	\$42,129	\$1,981	\$40
2018	3,716,989	17,168	2,731	1,249	15,036	\$68.8	\$240.9	\$42,968	\$2,033	\$41
2019	3,765,748	17,433	2,752	1,263	15,153	\$72.8	\$254.8	\$43,822	\$2,084	\$43
2020	3,814,968	17,676	2,774	1,278	15,218	\$76.9	\$269.1	\$44,672	\$2,134	\$44

The inland areas are likely to experience the most growth in future years, because of the availability of land for housing. However, infrastructure remains a problem in San Diego, especially the extent and the improvement of highways.

In 2001, San Diego County employment was dominated by services, retail trade, and the public sector. Together these three industries accounted for 73 percent (894,600) of the total employment (1.23 million) in the county.

Over the next 5 years, the momentum for employment growth remains in services, especially healthcare services which support the aging population, and business services which comprises the technology sectors. More North County growth, particularly in the inland areas, will dominate new economic activity in San Diego County.

### Forecast Highlights

- Population growth accelerates over the next 5 years, averaging 1.6 percent per year, compared to 1.3 percent per year between 1990 and 2000. The gain is due to a forecast constant rate of migration, and an increase in the natural rate of growth.
- The unemployment rate remains low over the forecast. The rate averages 3.8 percent between 2002 and 2007.
- Employment growth slowed in 2001. It is forecast to accelerate in 2002 and 2003. Between 30,000 and 35,000 new jobs per year are forecast for San Diego County.

Total Wage & Salary (000)	Farm (000)	Construction (000)	Mining (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----									
989	10.8	43.6	0.3	114.9	37.4	229.5	55.8	310.9	186.1
1,017	11.0	45.5	0.4	117.5	38.3	235.9	57.4	321.2	190.1
1,065	10.8	53.0	0.4	123.1	41.6	244.0	60.9	339.3	192.0
1,116	10.6	61.8	0.3	127.6	47.0	249.4	65.3	359.6	194.5
1,164	11.2	67.0	0.3	128.1	51.3	256.5	68.7	381.7	199.3
1,205	11.4	70.0	0.4	129.2	50.8	268.1	69.5	399.2	206.6
1,233	11.0	73.4	0.3	130.6	52.0	271.1	70.8	409.5	213.9
1,262	11.0	73.1	0.3	127.0	53.1	280.0	72.1	425.2	220.5
1,294	10.9	73.4	0.3	125.9	54.2	288.1	73.4	441.3	226.4
1,327	10.9	74.1	0.3	126.5	55.2	295.9	74.7	457.5	232.1
1,361	10.8	75.0	0.3	127.6	56.2	303.5	76.0	473.7	237.7
1,395	10.8	76.0	0.3	129.0	57.3	311.0	77.2	489.9	243.3
1,429	10.7	77.3	0.3	130.8	58.3	318.4	78.4	506.1	248.8
1,464	10.7	78.6	0.3	132.7	59.4	325.9	79.6	522.5	254.0
1,498	10.7	80.0	0.3	134.5	60.5	333.4	80.7	539.0	258.5
1,531	10.6	81.3	0.3	136.0	61.5	341.0	81.8	555.7	262.7
1,564	10.6	82.5	0.3	137.2	62.6	348.6	82.9	572.5	266.8
1,597	10.6	83.5	0.3	138.1	63.7	356.2	84.0	589.5	270.9
1,630	10.6	84.4	0.3	138.9	64.8	363.7	85.1	606.5	275.4
1,663	10.5	85.3	0.3	139.7	65.8	371.2	86.1	623.8	280.1
1,697	10.5	86.3	0.3	140.5	66.7	378.7	87.2	641.4	285.2
1,731	10.5	87.2	0.3	141.3	67.7	386.2	88.3	659.3	290.5
1,767	10.5	88.2	0.3	142.1	68.6	393.7	89.4	677.6	296.2
1,803	10.5	89.1	0.3	143.0	69.6	401.2	90.4	696.3	302.0
1,840	10.4	90.3	0.3	144.3	70.6	408.7	91.5	715.5	308.2
1,878	10.4	91.3	0.3	145.8	71.5	416.2	92.6	735.2	314.7

- The average salary in the County was \$45,356 in 2001. Inflation adjusted salaries increased an average of 3 percent per year between 1995 and 2000. That rate is expected to decline over the next 5 years, to 1.3 percent per year. Real per capita income will also slow, to a compound average annual rate of 1.7 percent between 2002 and 2007. The average rate of growth between 1995 and 2000 was 4.3 percent.
- San Diego County experienced unprecedented home price appreciation between 1995 and 2001. The median selling value leaped 53 percent, to \$300,315. Adjusted for inflation, selling values are not expected to appreciate at that unsustainable rate over the next 5 years. Constant dollar appreciation is forecast to average 2.5 percent per year.
- More housing is built in the North County areas, especially the inland areas of Vista, Poway and the unincorporated areas in-between. New residential units averaged 11,570 per year between 1995 and 2000. Housing production is forecast to increase to 15,000 units per year between 2002 and 2007.

